THE WEEKLY OF
# BUSINESS AVIATION™

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## INTELLIGENCE

**LEARJET** officials refused to comment last week on a recent report that the company is developing a new Model 40 aircraft to replace the existing Model 35/36. According to an article in *The Wichita Eagle*, the Model 40 would have a new wing and a new powerplant to reduce drag and improve performance. The Model 35 first flew in 1973. Launch of a new Model 40 would provide Learjet with an "all-new" product line. The Model 31A was upgraded in recent years and certification of the Model 60 is expected late this year *(see related article on Page 255)*.

**NEARLY TWO MONTHS** after ground-breaking ceremonies in Dover, Del. for Swearingen Aircraft's SJ30 business jet assembly facility, site preparation is still not under way *(BA, May 4/185)*. Swearingen President John Novak told *BA* Friday that the company had asked for new bids from potential site preparation and construction contractors, adding that those bids have not yet been received. Novak said Swearingen has sufficient financing in hand for construction of Phase I of the Dover plant, but he said officials still are working with insurance companies in Delaware and with the investment banking community to secure additional operating capital.

**AVIATION INDUSTRY EXECUTIVES** are becoming more outspoken in expressing their frustration and anger about the adverse effects of government regulation and the lack of regard they have for the ability of certain government employees. Business Express President Jim McManus called the "open skies" agreement with Canada "the joke of the decade." Referring to one Transportation Department negotiator who addressed a panel at the Regional Airline Association convention last week, McManus said "welcome to absolute incompetency [and] irresponsibility. It irritates me and depresses me we're paying their salaries." Referring to the members of the Bush Administration, RAA President John Fredericksen said "there's not a regulation they don't like [and] not a tax they won't buy off on."

**DRUG-TESTING RULES** remain one of the thorniest government-industry issues. Larry Burian, president of the National Air Transportation Association, said both Transportation Secretary Andrew Card and FAA Administrator-designate Thomas Richards have indicated a reluctance to lower the mandatory percentage of random drug tests for Part 135 employees. Alan Stephen, chairman of the Regional Airline Association, was equally pessimistic about DOT's stance, but said RAA is "heartened" by language included in the transportation appropriations legislation *(see related article on Page 257)*.

**DASSAULT** continues to negotiate with Russian officials about a possible joint venture to develop a regional version of the Falcon 2000. Reports of the negotiations originally circulated last fall, but centered on a commuter derivative of the Falcon 900B *(BA, Oct. 14/149)*. GE officials said last week they were holding talks with Dassault about a possible engine for the project. GE, in conjunction with Allied-Signal's Garrett Engine Division, will supply the CFE738 for the Falcon 2000 and officials said they expect to ship the first engines by the end of summer, with certification in early 1993. The Falcon 2000 business jet is slated for certification in November 1994.

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## Airport and Airway Trust Fund
### Balance Statement
### As of April 30, 1992

| | | |
|---|---|---|
| **ASSETS** | | |
| Undisbursed Balances: | | |
| Available for Investment | $ 60.47 | |
| TOTAL UNDISBURSED BALANCE | | $ 60.47 |
| Receivables: | | |
| Interest Receivables | $ 411,144,894.44 | |
| TOTAL RECEIVABLES | | $ 411,144,894.44 |
| Investments: | | |
| U.S. Treasury Certificates of Indebtedness | | |
| 8-1/4% matures 6/30/92 | 14,991,910,000.00 | |
| 8% matures 06/30/92 | 0.00 | |
| 7-7/8% matures 06/30/92 | 0.00 | |
| 7-5/8% matures 06/30/92 | $ 0.00 | |
| NET INVESTMENTS | | $ 14,991,910,000.00 |
| TOTAL ASSETS | | $ 15,403,054,954.91 |
| **LIABILITIES & EQUITY** | | |
| Beginning Balance | $ 15,505,517,630.60 | |
| Net Change | (102,462,675.69) | |
| TOTAL EQUITY | | $ 15,403,054,954.91 |
| TOTAL LIABILITIES & EQUITY | | $ 15,403,054,954.91 |

### Activity Report
### October 1, 1991 - April 30, 1992

| | Current Month | Year-to-Date |
|---|---|---|
| **UNDISBURSED BALANCES:** | | |
| Operations | $ 0.00 | $ 396.00 |
| Grants-in-Aid | 10,135,616.15 | 21,270,812.54 |
| Facilities & Equipment | 9,971,599.12 | 137,679,615.84 |
| Research Engineering Development | (239,095.95) | 7,599,172.36 |
| DOT/Rental Payments | 29,887,000.00 | 29,887,000.00 |
| Air Carriers | 35,519,695.00 | 35,519,695.00 |
| TOTAL UNDISBURSED BALANCE | $ 85,274,814.32 | $ 231,964,691.74 |
| **EXPENSES** | | |
| Operations | $ 175,802,000.00 | $ 1,230,613,629.00 |
| Grants-in-Aid | 116,464,383.85 | 962,396,577.47 |
| Facilities and Equipment | 145,128,400.88 | 997,859,814.42 |
| Research Engineering Development | 17,339,095.95 | 117,742,933.85 |
| NOAA Aviation Weather Services | 0.00 | 17,694,500.00 |
| Air Carriers | 3,080,305.00 | 3,080,305.00 |
| TOTAL EXPENSES | $ 457,814,185.68 | $ 3,329,387,759.74 |
| **NON-EXPENDITURE TRANSFERS** | | |
| Department of Transportation | $ (543,089,000.00) | $ (3,474,774,833.47) |
| National Oceanic and Atmospheric Administration (NOAA) | 0.00 | (17,694,500.00) |
| TOTAL NON-EXPENDITURE TRANSFERS | $ (543,089,000.00) | $ (3,492,469,333.47) |

From Treasury Department data.

AVITAS AVIATION

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